GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

I&I Dept., - APMB - Kakinada Port – Export of Rice – Congestion at Anchorage Port leading to Waiting of vessels – Seeking Permission of Rice Export through Kakinada Deep Water Port by the Agricultural and Processed Food Products Export Development Authority – Orders – Issued.

INFRASTRUCTURE & INVESTMENT DEPARTMENT

G.O.RT.No. 4 Dated: 03-02-2021

Read the following:

1)From Chairman, APEDA, Lr No. CLR20-21-000016/00682,dt.2.12.20
2) Letter from President, Rice Exporters Association dated 3-12-2020
3)Visit of Sri Pawan Agarwal, IAS, Spl. Secy. to GOI, logistics to Kakinada Port on Dt 2-1-2021.
4) Pawan Agarwal, IAS video conference call on 11-1-2021 with all stakeholders requesting for urgent action to start with Rice export through Kakinada Deep water Port as an additional facility and also increasing the efficiency of Kakinada Anchorage Port for increasing Rice export.
5) Meeting conducted by Joint Collector and CEO, APMB with all stake holders in the EG. Dist. Collectorate on 16-1-2021 as a sequel to the video conference meeting taken by Sri Pawan Agarwal, IAS on 11-1-2021 and J.C. meeting on 12.01.2021.
6) Concession Agreement signed dt 19-3-1999 between GOAP and KSPL.
7)From the Chief Executive Officer, AP Maritime Board, Lr. No. CEO/D1/966/2020, Dated 18-1-2021
8) From the Collector (CS), E.G. Lr.No.E4/02/2021, Dated 27-01-2021.
9) The Cocanada Chamber of Commerce, Kakinada, Letter dt.27.01.2021.
10)From the CEO, APMB Lr.No.CEOP/D1/966/2020, Dt.27-1-2021.
11) From the CEO, APMB Lr.No.CEOP/D1/966/2020, Dt.27-1-2021 along with minutes of conciliation meeting with Dy.Commissioner of Labour, Kakinada

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ORDER:

It has been reported that the Chairman, Agricultural and Processed Food Products Export Development Authority, Ministry of Commerce & Industry, GoI, New Delhi stated that India is the largest exporters of Rice in the World for more than 10 years and in view of surge in the export of Rice and due to limitations of Anchorage Port, Kakinada capacity to handle more cargo, requested to permit Rice export through Kakinada Deep water Port also. The Rice Exporters Association, Kakinada have made a similar request.

2. While so, Sri Pawan Agarwal, IAS Spl. Secretary to Govt. of India, also visited Kakinada Port on 02-01-2021 and made a request to start immediately export of rice through Kakinada Deep Water Port. In view of the urgency, he also conducted Video Conference with all stake holders on 11-01-2021 making a request to take action immediately to start export of Rice through Deep water Port. As a sequel to Video Conference meeting held on 11-01-2021, Joint Collector convened a meeting on 12-1-2021 with Rice Exporters and Cocanada Chamber of Commerce and also held a meeting on 16-1-2021 with the following, where the Chief Executive Officer, AP Maritime Board was also present:

1) The Cocanada Chamber of Commerce
2) The Kakinada Customs brokers Association
3) The Kakinada Port Barge Owners Welfare Association
4) The Rice Exporters Association
5) The Kakinada Steel Barge & Deep-Water Port Workers Union (HMS)
6) Kakinada Sea Ports Ltd (KSPL)
7) Port officer, Kakinada.

3. In the meeting it has also been discussed the embargo laid down under clause 2.19.1 of the Concession Agreement dated 19-03-1999 for handling this type of cargo by the Deep-Water Port. However, it has been appraised that this is a peculiar situation that anchorage port has attained saturation and because of the congestion many ships are in waiting for their turn for loading the rice. The Chief Executive Officer, AP Maritime Board has stated that for creation of additional facilities including additional equipment proposals submitted to GoI for grant of Rs.100.00 crores under Sagarmala is under consideration of Government of India. Further, creation additional facilities cannot be done instantly and it may take considerable time. Till creation of additional facilities at the anchorage port, handling more than the established quantity, the exporters have to face hardship of waiting. However, to meet this peculiar type of contingency, it has been reported that it is necessary to evolve a mechanism while safeguarding the interests of the Anchorage Port in accordance with Clause 2.19.1 of the Concession Agreement entered into with KSPL on 19-3-1999 by allowing the projected additional cargo to be handled by Deep Water Port, in the interregnum as an interim measure till additional facilities including additional equipment is provided at Anchorage Port, for any port user who wishes to use the same.

4. In the light of the above, the Chief Executive Officer, AP Maritime Board has stated that the additional quantity of rice may be allowed to be handled by Kakinada Deep Water Port as an interim measure in the interregnum for exhausting the additional cargo projected by APEDA, subject to the condition that the buyers should ensure continue rice handling in minimum 10 ships at Kakinada Anchorage port, only to minimize the waiting period of the ships outside the port, that too on mutual consent between the concerned parties i.e., APEDA, the Rice Exports Association, Cocanada Chamber of Commerce, HMS Union, Barge Owners Association, by constituting a Committee under the chairmanship of the CEO, APMB to meet on fortnightly basis or depending on the exigencies warranted, to evaluate the situation whether there is additional quantity of rice for export and whether the anchorage port is operating in full swing and then suggest the modalities of operations.

5. Further, in the reference 11th read above, the CEO, APMB has informed that a conciliation meeting was conducted by the Dy.Commissioner of Labour, Kakinada on 30.01.2021 with all the workers union and others concerned and there it was agreed upon to have minimum 10 Ships to be available at Anchorage Port for loading rice at any point of time and ships beyond such number can seek loading rice at Deep Water Port and suggested to have a committee to review the situation periodically.

6. Government after careful consideration of the matter have decided that the additional quantity of rice, if any, may be allowed to be handled by Kakinada

Deep Water Port as an interim measure in the interregnum, till the additional facilities are created in the Anchorage Port, just for exhausting the additional cargo projected by APEDA, subject to the condition that the buyers should ensure continuance of rice handling in minimum **10 (TEN)** ships at Kakinada Anchorage port, at any point in time, only to minimize the waiting period of the ships outside the port, that too on mutual consent basis, between the parties concerned i.e., APEDA, the Rice Exports Association, Cocanada Chamber of Commerce, Workers Union, Barge Owners Association, by constituting a Committee with the following to meet on fortnightly basis or depending on the exigencies warranted, to evaluate the situation whether there is additional quantity of rice for export and whether the anchorage port is operating in full capacity and then suggest the modalities of operations:

a) Chief Executive Officer, AP Maritime Board	-	Chairman
b) Joint Collector, East Godavari Dist.	-	Member
c)Deputy Commissioner of Labour, East Godavari at Kakinada	-	Member
d)Chairman, Cocanada Chamber of Commerce	-	Member
e) President, Barge owner's welfare association	-	Member
f) President, Rice Exporters association	-	Member
g) Chief Operating Officer, KSPL	-	Member
h) Representatives of Workers Unions	-	Member
i) Port Officer, Kakinada		Member-convener

7. The Chief Executive Officer, AP Maritime Board shall take necessary further action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R. KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Chief Executive Officer, AP Maritime Board
The members through Chief Executive Officer, AP Maritime Board--

1) Joint Collector, East Godavari Dist.
2) Deputy Commissioner of Labour, East Godavari, Kakinada
3) The Cocanada Chamber of Commerce
4) The President, Barge Owners Welfare Association
5) The Rice Exporters Association
6) Chief Operating Officer, Kakinada Sea Ports Ltd. (KSPL)
7) Representatives of Workers Unions
8) The Port Officer, Kakinada.

Copy to:

1) The Chairman, APEDA, New Delhi
2) Sri Pawan Agrawal, IAS. Spl. Secretary, Logistics, New Delhi
3) The Collector, East Godavari District
4) OSD to Hon'ble Minister (I&I)
5) PS to Special Chief Secretary, I&I Dept.

//FORWARDED:: BY ORDER//

SECTION OFFICER